SUPREME COURT, U. S.

FILED

JAN 27 1970

JOHN F. DAVIS, CLERK

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC.,
Petitioner,

vs.

TIGRETT INDUSTRIES, INC., et al.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals
for the Sixth Circuit

RESPONDENTS' BRIEFS IN REPLY TO BRIEF OF PETITTIONER and in reply to AMICUS CURIAE BRIEF FOR THE UNITED STATES

RALPH W. KALISH
721 Olive Street
St. Louis, Missouri 63101
HEWITT P. TOMLIN, JR.
106 South Liberty
Jackson, Tennessee
Attorneys for Respondents

St. Louis Law Printing Co., Inc., 411-15 N. Eighth St. 63101 314-231-4477

TABLE OF CONTENTS OF RESPONDENTS' BRIEF IN REPLY TO PETITIONER'S BRIEF

	Page
Jurisdiction	1
No Constitutional provisions and statutes involved	2
Questions presented for review	2
Statement of the case	3
Argument	9
Point I—Petitioner Liable for Royalties Under U. S. Letters Patent No. 3,162,865 as the Same Is Infringed by Petitioner's Construction	9
Point II—The Doctrine of Equivalents Clearly Applicable and Proper Under the Facts of the Present Case	14
Point III—File Wrapper Estoppel Not Applicable	20
Point IV—Having Failed to Urge Invalidity at an Earlier Stage in This Lawsuit, Petitioner Should Not Be Permitted to Contest Validity by Reason of the Holding of This Court in Lear v. Adkins (1969), 89 Sup. Ct. 1902	24
Point V—Validity of U. S. Letters Patent No. 3,162,865 Not in Issue	28
Point VI—Respondent's Assignment of Its Over-Ride Payments Did Not Work a Cancellation of Any Agreement	29
Point VII—Matter of Refund Royalties	37
Conclusion	37
Addendum to respondents' brief	A-1

Cases Cited

Apex Electrical Mfg. Co. v. Maytag (CCA 7—1941), 122 F. 2d 182, 50 USPQ 90 17
Automatic Radio Co. v. Hazeltine Research, Inc. (1950), 39 U. S. 827 24

Beechwood Lumber Co. v. Tobin (CCA 5—1952), 199 F. 2d 878 29
Bowser, Inc. v. Filters, Inc. (CCA 9—1968), 396 F. 2d 296, 158 USPQ 305 15
Brown v. Collins (CCA D. C.—1968), 402 F. 2d 209 29
Brummitt Tire Co. v. Sinclair Refining Co. (1934), 18 Tenn. App. 270 34

Coats Loaders and Stackers, Inc. v. Henderson (CCA 6—1956), 233 F. 2d 915, 109 USPQ 332 16

Desert Palace, Inc. v. Salisbury (CCA 7—1968), 401 F. 2d 320 28
Drackett Chemical Co. v. Chamberlain Co. (CCA 6 —1933), 63 F. 2d 853 25

First National Bank of Topeka v. United Telephone Association, Inc. (Kansas), 355 Pacific 2d 963 36

General Motors Co. v. Swan Carburetor Company (CCA 6—1930), 44 F. 2d 24, 6 USPQ 22 10
Green v. Electric Vacuum Cleaner Co., Inc. (CCA 6—1942), 132 F. 2d 312, 313, 56 USPQ 127, cert. granted 318 U. S. 753, cert. dismissed 319 U. S. 777 11
Gridiron Steel Co. v. Jones and Laughlin Steel Corp. (CCA 6—1966), 361 F. 2d 791, 149 USPQ 887 in affirming the decision of the District Court (D. C. N. D. Ohio—1964), 142 USPQ 264 10
Goodyear Tire & Rubber Co. v. Ray-O-Vac Co. (1944), 321 U. S. 275, 70 USPQ 386 12
Graver Tank & Mfg. Co. v. Linde Air Products Co. (1949), 336 U. S. 271, 80 USPQ 449 (First case) .. 11

Graver Tank Mfg. Co. v. Linde Air Products Co. (1950), 339 U. S. 605 (Second case) 10, 14, 15, 16

Hap Corp. v. Heyman Mfg. Co. (CCA 1—1962), 311 F. 2d 839, 134 USPQ 285, Cert. denied, 373 U. S. 903 28

Industrial Instrument Corp. v. Foxboro Co. (CCA 5—1962), 307 F. 2d 783, 134 USPQ 529 17

Lear v. Adkins (1969), 89 Sup. Ct. 1902 .....24, 25, 26, 27, 28, 29

Lumsden v. Roth (Calif.), 291 Pacific 2d 88 35

Marston v. Swett, 82 N. Y. 526 25

Mason v. Electrol, Inc. (1944), 292 N. Y. 482 ....34, 36, 37

Matthews v. Koolvent Metal Awning Co. (CCA 5—1946), 158 F. 2d 37, 71 USPQ 219 15

Moody v. Kirkpatrick, 234 F. Supp. 537 (1964) 33

No Joint Concrete Pipe Co. v. Hanson (CCA 9—1965), 344 F. 2d 13, 144 USPQ 519, cert. den. 382 U. S. 843 (1965) 18

Pop-in-Oil Council, Inc. v. Wyndall's Supermarket (CCA 6—1966), 355 F. 2d 372, 148 USPQ 174 12

Potterton v. Condit, 218 Mass. 216, 105 N. E. 443 25

Pratt v. Globe Mutual Life Insurance Co., 17 S. W. 352 (1875) 33

Pratt v. Paris Gaslight & Coke Co., 168 U. S. 255 25

Radley v. Smith (Utah), 313 Pacific 2d 465 35

Royal Typewriter Co. v. Remington Rand, Inc. (CCA 2—1948), 168 F. 2d 691, 77 USPQ 517, cert. den. 335 U. S. 825; rehearing den. 335 U. S. 864 (1948) 17

Sanitary Refrigerator Co. v. Williams (1929), 280 U. S. 20, 3 USPQ 40 10

Schriber Co. v. Cleveland Trust Co. (Sup. Ct.—1941), 311 U. S. 211 23

Sloan v. Jones, 241 S. W. 2d 506 (1951) 33

Specialty Equip. & Mach. Corp. v. Zell Motor Car Co. (CCA 4—1952), 193 F. 2d 515, 92 USPQ 84 ... 18
Stone v. Martin (1947), 185 Tenn. 365 34
Toledo Scale Corp. v. Westinghouse Electric Corp. (CCA 6—1965), 351 F. 2d 173, 147 USPQ 125, 127 12
Union Paper Bag Machine Co. v. Murphy (1878), 97 U. S. 120 10
U. S. Plywood Corp. v. General Plywood Corp. (CCA 6—1967), 370 F. 2d 500, 507, 152 USPQ 80, cert. den. 389 U. S. 820 11
U. S. v. Real Estate Boards (1950), 339 U. S. 485 12
Victory Bottle Capping Mach. Co., Inc. v. O-J Mach. Co. (CCA 1—1922), 280 F. 753 25
Wagner v. Retail Credit Co. (CCA 7—1964), 338 F. 2d 598 28
Walters v. City of St. Louis (1954), 347 U. S. 231 ... 28
Westinghouse v. Boyden Power Brake Co. (Sup. Ct. 1898), 170 U. S. 537 15
Williams Mfg. Co. v. United Shoe Machinery Corp. (Sup. Ct.—1942), 316 U. S. 364, 53 USPQ 478 12
Zenith Radio Corp. v. Hazeltine (1969), 395 U. S. 100 6
Zysset v. Popeil Bros., Inc. (CCA 7—1960), 276 F. 2d 354, 124 USPQ 250, cert. den. 364 U. S. 826 (1960) 17

Rules Cited

Federal Rules of Civil Procedure, Rule 52(a) 11

Texts Cited

6 Am. Jur. 2d, Assignments, Sec. 111 34
Corbin on Contracts, pp. 637-638 35
Restatement of the Law of Contracts, Sec. 164 35

TABLE OF CONTENTS OF RESPONDENTS' BRIEF IN REPLY TO AMICUS CURIAE BRIEF OF THE UNITED STATES

Page

Argument 1

Point I—The Doctrine of Equivalents compatible with the dominant policies of the Federal Patent System 1

A. Statutory requirements of precise claiming have been consistent since at least 1836 1

B. Doctrine of Equivalents not inconsistent with statutory requirements of claiming 4

C. The new test urged by the Government is a re-statement of the Doctrine of Equivalents as applied by the courts 9

Point II—Alternative protective devices do not compensate for overruling of Doctrine of Equivalents 15

Conclusion 16

Cases Cited

Borg-Warner Corp. v. Paragon Gear Works, Inc. (CCA 1—1965), 355 F. 2d 400, 148 USPQ 1, Cert. Denied, 384 U. S. 935 (1966) 13

Bowser, Inc. v. Filters, Inc. (CCA 9—1968), 396 F. 2d 296, 158 USPQ 305 ..... 7, 8

Claude Neon Lights v. E. Machlett & Son (CCA 2—1929), 36 F. 2d 574 12

Evans v. Eaton, 3 Wheat. 454 3

Foster Cathead Co. v. Hasha (CCA 5—1967), 382 F. 2d 761, 155 USPQ 177, Cert. denied 390 U. S. 906 (1968) 7

Graver Tank Mfg. Co. v. Linde Air Products Co. (1950), 339 U. S. 605 ..... 2, 3, 4, 9, 10, 11, 14
Grant v. Koppl (CCA 9 – 1938), 99 F. 2d 106, 30 USPQ 36 8
Hap Corp. v. Heyman Mfg. Co. (CCA 1 – 1962), 135 USPQ 285, 288 6
Hogg v. Emerson, 6 How. 436 3
Hoyt v. Horne (1892), 145 U. S. 302 3
King-Seeley Thermos Co. v. Refrigerated Dispensers (CCA 10 – 1965), 354 F. 2d 533, 148 USPQ 11 11
Matthews v. Koolvent Metal Awning Co. (CCA 5 – 1946), 158 F. 2d 37, 71 USPQ 249, reversing, 60 F. Supp. 3, 64 USPQ 456 ..... 8, 11
Reese v. Gould (1871), 15 Wall. 187 ..... 5, 10
Royal Typewriter Co. v. Remington Rand (CCA 2 – 1948), 168 F. 2d 691, 77 USPQ 517, Cert. Denied 335 U. S. 825, Rehearing Denied, 335 U. S. 864 (1948) 12
Sanitary Refrigerator Company v. Winters (Sup. Ct. 1929), 280 U. S. 30 ..... 4, 10
Westinghouse v. Boyden Power Brake Co. (Sup. Ct. – 1898), 170 U. S. 537 7
Winans v. Denmead, 15 How. 330 ..... 3, 4

Text Cited

43 Journal of the Patent Office Society 291 (May, 1966) 7

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC.,
Petitioner,

vs.

TIGRETT INDUSTRIES, INC., et al.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals
for the Sixth Circuit

RESPONDENTS' BRIEF IN REPLY TO PETITIONER'S BRIEF

JURISDICTION

Jurisdiction of the United States District Court was acquired in this case solely by reason of diversity of citizenship of the parties hereto in which the amount in controversy, exclusively of interest and costs, exceeded the sum of Ten Thousand Dollars ($10,000.00) (Title 28 U. S. Code Section 1332). Jurisdiction on said single basis was alleged in Respondents' complaints (A. 9a, 17a) and jurisdiction was admitted by Petitioner in its answers on said basis (A. 25a).

NO CONSTITUTIONAL PROVISIONS AND STATUTES INVOLVED

In the proceedings before the District Court and the Court of Appeals, there was no issue raised relating to the power of Congress to issue patents upon inventions, nor to any statutory provisions concerning the granting of patents. Petitioner's brief for the first time in this case makes reference to Section 103 of Title 35 U. S. Code. This case was an action *ex contractu* without involvement of either Constitutional provisions or Federal statutes.

QUESTIONS PRESENTED FOR REVIEW

The questions presented by Petitioner for review are subject to prolixity and impropriety. The first three questions jointly refer but to a single issue and, succinctly, the same should be stated as to whether or not Petitioner's Golden Convertible playpen infringes U. S. Patent No. 3,162,865.

Question No. 5 raises an issue new to this case and which could not have been considered by either Court below. Therefore, it is improper.

Question No. 7 also presents an issue new to this case, not considered below, and, therefore, is improper.

STATEMENT OF THE CASE

Respondents* deem it necessary to correct various inaccuracies and omissions in Petitioner's Statement of the Case and shall attempt herein to rectify same.

The Contract for Purchase of Assets (A. 54a-63a) involves the sale, as a going business, of the infant furniture division of Respondent to Petitioner. The over-ride and royalty payments were but a part of the total transaction, with the over-ride payments to Respondent for a period of five years being a distinct part of the consideration flowing to Respondent for the sale of its business. Such over-ride permitted Petitioner "to pay as it went" as opposed to paying a lump sum upon purchase. Thus; the paragraphs relating to patents should be considered within the environment of the entire contract. Certain other paragraphs of said Contract for Purchase of Assets pertinent herein are as follows:

> "9. ASSIGNMENT. It is understood and agreed that Buyer may assign this agreement to a new corporation to be formed for the purpose of taking title hereunder upon conditions that such assignment shall not release the Buyer from its obligations hereunder."
>
> "11. EXECUTION OF ADDITIONAL DOCUMENTS. Seller does hereby specifically agree to execute or cause to be executed all such bills of sale, **assignments**, leases, **patent and trade name and trademark assignments and licenses** or other instruments, documents or papers as may be deemed reasonably

* The term "Respondent" as may be used from time to time herein shall refer to Tigrett Industries, Inc., although the word in plural form will, of course, be understood to refer to both Respondents collectively.

necessary to advisable to carry out each and every provision of this agreement." [Emphasis supplied].

"13. CLOSING DATE. The closing of the purchase and sale provided herein shall take place at Jackson, Tennessee. . . .".

"15. PATENTS. Seller agrees to obtain prior to the closing herein all necessary consents, assignments and other instruments of transfer in and to the patent licenses referred to in the next ensuing paragraph . . . , in form and substance satisfactory to the Buyer's attorney."

Paragraph 16(c) is substantially identical with 16(e) but relates to Patent No. 2,790,978 upon the PLAY-A-ROUND playpen. This Patent is the other of the two which have been involved in this proceeding. The patent application recited in Paragraph 16(e) matured into United States Letters Patent No. 3,163,865 relating to the GOLDEN CONVERTIBLE playpen.

At the time of execution of the Contract for Purchase of Assets, Respondent was the owner of the entire, right and interest in and to the aforementioned patents, having acquired title thereto by agreements between it and John Burton Tigrett dated October 1, 1955 (Play-A-Round Patent) and July 19, 1961 (Golden Convertible patent). Although these agreements were assignments, as distinguished from licenses, Respondent was obligated to pay John Burton Tigrett a three percent (3%) royalty. In each of these agreements, by which John Burton Tigrett divested himself of title to these patents, there was contained a clause reading as follows:

"This agreement shall automatically be cancelled and terminated in the event of bankruptcy of Purchaser or assignment by Purchaser for the benefit of creditors . . . In the event of cancellation or termination of this agreement as provided herein, this agreement

> shall operate and function as a reassignment to Vendor of all the right, title and interest in and to said invention and improvements and all applications and patents coming hereunder."

John Burton Tigrett executed the Contract for Purchase of Assets both on behalf of Respondent and in his individual capacity. (A. 63a) thereby formally acknowledging his personal consent to, and acceptance of, all conditions and terms of the said Contract.

In accordance with Paragraph 13 of the Contract for Purchase of Assets, the closing between Respondent and Petitioner's subsidiary and alter ego, Jackson Furniture Corporation, a Tennessee corporation, took place in Jackson, Tennessee on December 22, 1964. By identical documents of Assignment of Patent Rights (A. 76a-80a), each of the aforesaid patents were assigned by Respondent to the said Jackson Furniture Corporation, the granting language being as follows:

> "* * * Tigrett Industries, Inc. does hereby sell, assign, transfer and convey unto Jackson Furniture Corporation, its successors and assigns, the entire right and interest in and to the aforesaid Letters Patent * * *."

These documents were executed by officers of Respondent and the assignee, Jackson Furniture Corporation, on the date stated. These documents of Assignment of Patent Rights* were effected to comply with Respondent's obligations under Paragraph 16(c) and 16(e) of the Contract for Purchase of Assets resulting in the vesting of title to the Patents in suit in Petitioner's alter ego.

---

* Throughout this proceeding, the term "license" has been utilized to refer to the underlying agreements with John Burton Tigrett in which Jackson Furniture Corporation has been substituted for Tigrett Industries. These documents were, in truth, assignments and provided the basis whereby Respondent could enter into the Assignment of Patent Rights.

On the same date, December 22, 1964, Petitioner's subsidiary took over the operation of Respondent's business and has to the present time continued to sell Golden Convertible playpens, as well as other items, the market acceptance for which was established by Respondent.

On April 14, 1965 Petitioner made over-ride and royalty payments to Respondent and John Burton Tigrett, respectively, upon Petitioner's sales for the first quarter of 1965 of the "Golden Convertible" playpen, but made no payment upon, or any report concerning, the "Play-A-Round" playpens.*

With simultaneous notice to Petitioner (A. 66a) and its alter ego, Jackson Furniture Corporation, Respondent on April 26, 1965, over four months after the assignment of Patent Rights, effected the Assignment for the Benefit of Creditors (A. 67a-73a) with respect to the two percent (2%) over-ride to be paid Respondent for the stated five year period (now expired) pursuant to the terms of Paragraph 16(c) and 16(e). Respondent's right to receive these over-ride payments was established by the said Contract for Purchase of Assets and not by reason of any agreement between Respondent and John Burton Tigrett. These over-ride payments and the alternative provisions of Paragraph 17* were to provide the balance of the consideration moving to Respondent for the transfer of its assets, good will, unfilled orders, etc., or in a word, its business.

---

* Petitioner on page 5 of its brief cites the decision of this Court in **Zenith Radio Corp. v. Hazeltine** (1969), 395 U. S. 100, upon the ground that in some unspecified way it invalidates Paragraph 17. This paragraph provides for an alternative manner of calculation of the balance of consideration to be paid Respondent. To provide a distinct option for calculation of consideration which is not based upon, or relating to, patents assuredly does not amount to patent misuse merely because the other method is determined upon sales under a patent of articles covered thereby. Petitioner's reference to this case is completely inapt.

No advice was received by Respondent from Petitioner consequent to the Notice of Assignment (A. 66a) and Respondent's first indication that Petitioner would no longer make the required payments was in or about August, 1965 when the payments were overdue for the second quarter of 1965.

Efforts by Respondent to obtain clarification of Petitioner's refusal to pay were fruitless. No reasons were advanced, so that this action was instituted in December, 1965 to recover the royalty and over-ride payments due. In no responsive pleading filed by, or on behalf of, Petitioner was there any allusion to, or suggestion that, the Assignment for the Benefit of Creditors was deemed by Petitioner to relieve it of all obligation to make such payments (see A. 15a-16a and 25a-27a). It was not until December, 1966, one year after the filing of the complaint and almost 20 months after the Assignment for the Benefit of Creditors that Respondents were informally and orally advised of such contention. The pleadings still do not reflect such position.

The District Court, in addition to holding Petitioner liable for royalties and over-ride payments, held that there had been no cancellation of the assignments of the Patents in suit by reason of the Assignment for the Benefit of Creditors (A. 42a). The Court of Appeals affirmed the Judgment of the District Court in all respects.

In its Statement, Petitioner, at page 7 of its brief, reaffirms its voluntary withdrawal of its contention with respect to the matter of coverage of Patent No. 2,790,978 of its "Play-A-Round" playpen (see A. 41a). Petitioner also asserts that it is not questioning the validity of that patent. Yet in both its brief and its Petition for Writ of Certiorari, Petitioner has quoted from the transcript certain exchanges which occurred during the trial in the District Court relative to said Play-A-Round Patent. At

pages 6 and 7 of its Petition, Petitioner avers that it could not show that the invention of Patent No. 2,790,978 was an actual copy of an expired patent and refers to an exchange with the Court. However, by reference to the transcript of testimony (see A. 129a-2-129a-3), the patent involved is the said Patent No. 2,790,978 and the so-called expired patent is United States Patent No. 2,563,915 set forth in Paragraph 16(a) of the Contract for Purchase of Assets (see A. 61a). Thus, this colloquy with the Court has no relationship whatever to the Golden Convertible Patent, No. 3,162,865, which is the only one now before this Court.

Additionally, at page 9 of its brief, Petitioner refers to a certain exchange with Dean Don Fischer (A. 146a). However, it will be observed that by reference to the preceding page of the Appendix, Respondent's expert was being interrogated with respect to certain language in the claims of the Play-A-Round Patent and **not** the Golden Convertible Patent about which Petitioner's counsel first cross-examined Dean Fischer thereafter (see middle of page 146a of the Appendix).

Although Petitioner withdrew Patent No. 2,790,978 it has seen fit to consistently refer to portions of the transcript relating to same, but which are entirely unrelated to the Golden Convertible Patent, No. 3,162,865. By not making clear in its reference to the transcript, Petitioner would allow the improper inference that said quoted portions relate to the Golden Convertible Patent which is not true.

The withdrawal of the Play-A-Round Patent from contention is most inconsistent with the position Petitioner now urges.

Facts concerning the prosecution before the Patent Office of the application maturing into the Golden Convertible Patent will be discussed below under Point III of the Argument for purposes of convenience.

ARGUMENT

Point I

Petitioner Liable for Royalties Under U. S. Letters Patent No. 3,162,865 as the Same Is Infringed by Petitioner's Construction.

The evidence in this cause showed that Petitioner's Golden Convertible Playpen was altered in only one respect from the structure claimed* and that being in providing a single opening in lieu of two openings for upward threading of the draw strings through the base plate for

---

* The two claims of the patent in suit are as follows:

1. An article of infant furniture comprising a top frame member, a base plate, a flexible netting having a general tubular form suspended from said top frame member, and extending downwardly for receiving the said base plate and presenting same in normal planar relation to the axis of said tubular netting, said netting at its lower and extending inwardly beneath said base plate, drawstrings engaged to the lower end edge of said netting beneath said base plate, said base plate having a pair of spaced openings, said drawstrings being threaded upwardly through said openings in said base plate and being mutually fixedly engaged above said base plate for providing a grip for convenient manipulation for said netting to elevate said base plate by upward pulling on said grip, a bottom frame member in planar parallel relation to said top frame member and disposed below said base plate for support thereof, legs engaged at their upper ends to said top frame member and extending downwardly therefrom, and means for engaging said bottom frame member to said legs.

2. An article of infant furniture as defined in claim 1 and further characterized by said legs being pivotally engaged at their upper ends to said top frame member for swingable movement between vertical or operative position and horizontal or collapsed position, and said means detachably engaging said bottom frame member to said legs comprising a plurality of leg-surrounding elements fixed to said bottom frame member and extending outwardly therefrom, each leg having a plurality of vertically spaced apart openings, and a hook forming member swingably mounted upon each leg-surrounding member for selected engagement within an opening in the proximate leg.

mutual union thereabove to provide a manipulative handle or grip. The first question presented by Petitioner for review (page 3 of its brief) is inaccurate in stating that the claims of the patent in suit "require" a limitation, etc. This point will be discussed more fully under the discussion concerning file wrapper estoppel below.

There is also the recognition that in a suit for royalties under a patent assignment or license, the issue is one of infringement for determining whether the construction in question is covered: **General Motors Co. v. Swan Carburetor Company** (CCA 6—1930), 44 F. 2d 24, 25, 6 USPQ 22; **Gridiron Steel Co. v. Jones and Laughlin Steel Corp.** (CCA 6—1966), 361 F. 2d 791, 149 USPQ 887 in affirming the decision of the District Court (D. C. N. D. Ohio—1964), 142 USPQ 264.

In the present case, since Petitioner's playpen did not literally read on each word in the claim, that is, there being something immediately less than 100 percent perfect coincidence, in view of the said difference, namely, one hole in lieu of two holes, the District Court, as a fact, found infringement by reason of the accused structure working in substantially the same manner and with the same result as the claimed structure. In finding infringement, the District Court applied the doctrine of equivalents and the Court of Appeals affirmed said finding thereunder. The Court of Appeals noted that the said difference was not "a substantial difference." The Courts below, in resorting to the doctrine of equivalents, followed established precedents as exemplified by decisions of this Court in **Union Paper Bag Machine Co. v. Murphy** (1878), 97 U. S. 120; **Sanitary Refrigerator Co. v. Williams** (1929), 280 U. S. 20, 3 USPQ 40; and **Graver Tank Mfg. Co. v. Linde Air Products Co.** (1950), 339 U. S. 605.

The District Court applied the test as expressed by this Court in the **Union Paper Bag Co.** case, supra,

> "* * * if two devices do the same work in substantially the same way, and establish essentially the same result, they are the same, even though they differ in manner, form, or shape" (97 U. S. at 125).

It is submitted that the holding of the District Court and the affirmation thereof by the Court of Appeals was, in the present case, correct, since the evidence adduced, including court demonstrations and the testimony of experts[5] for both parties, established that the substitution of the single hole for the two holes did not result in any distinction with respect to the means of operation, manner of operation, and results of operation.

Infringement is a question of fact. **Green v. Electric Vacuum Cleaner Co., Inc.** (CCA 6—1942), 132 F. 2d 312, 313, 56 USPQ 127, cert. granted 318 U. S. 753, cert. dismissed 319 U. S. 777; **U. S. Plywood Corp. v. General Plywood Corp.** (CCA 6—1967), 370 F. 2d 500, 507, 152 USPQ 80, cert. den. 389 U. S. 820. Rule 52(a) of the Federal Rules of Civil Procedure provides that findings of fact shall not be set aside by Appellate Courts unless clearly erroneous, with the Appellate Courts giving due regard to the opportunity of the trial court to judge the credibility of the witnesses. This Court in the first Graver Tank case, namely, **Graver Tank & Mfg. Co. v. Linde Air Products Co.** (1949), 336 U. S. 271; 80 USPQ 449, stated:

> "To no type of case is this last clause (Rule 52a) more appropriately applicable than to the one before us, where the evidence is largely the testimony of experts as to which a trial court may be enlightened by scientific demonstrations" (at p. 274).

---

[5] Dean Fischer (Respondent's expert): "They do the exact same work in exactly the same manner and in the same way, and whether you put the drawstrings through one hole or two holes, makes no difference in the operation of the device and in both cases it lifts up the bottom and tightens the net in the same manner" (A. 142a).

In holding that the findings of the trial court were not clearly erroneous in that case, this Court observed:

> "A court of law, such as this Court is, rather than a court for correction of errors in fact finding, cannot undertake to review concurrent findings of fact by two courts below in the absence of a very obvious and exceptional showing of error" (at p. 275).

Also appropriate is the following statement of Justice Douglas in **U. S. v. Real Estate Boards** (1950), 339 U. S. 485:

> "It is not enough that we might give the facts another construction, resolve the ambiguities differently, and find a more sinister cast to actions which the District Court apparently deemed innocent [citing cases]. We are not given these choices because our mandate is not to set aside findings of fact 'unless clearly erroneous'" (at 495, 496).

This Court also aptly noted in **Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.** (1944), 321 U. S. 275, 70 USPQ 386:

> "The Circuit Court of Appeals re-examined the findings in the light of the evidence and accepted them. It must be a strong case in which this court will set aside concurrent findings of two courts" (at p. 278).

See also **Williams Mfg. Co. v. United Shoe Machinery Corp.** (Sup. Ct.—1942), 316 U. S. 364, 367, 53 USPQ 478; **Toledo Scale Corp. v. Westinghouse Electric Corp.** (CCA 6—1965), 351 F. 2d 173, 176, 147 USPQ 125, 127; **Pop-in-Oil Council, Inc. v. Wyndall's Supermarket** (CCA 6—1966), 355 F. 2d 372, 375, 148 USPQ 174.

It is submitted that the factual finding of infringement by the District Court in the present case is not clearly erroneous in view of the holding of the Court of Appeals that such finding was without "any clear error."

The discussion in Petitioner's brief under Point I (see pages 8-13) comprehends numerous matters, such as, validity, infringement, file wrapper estoppel. Response to these various points other than infringement will be made hereinbelow.

Petitioner has not at any juncture in this proceeding attempted to demonstrate that the accused construction differs from the claimed structure other than to merely point out that one hole has been substituted for two holes. Petitioner's expert witness did not present testimony tending in any way to show that the one hole brought about anything other than the same result. None of the authorities cited on page 10 of Petitioner's brief support Petitioner's urging that infringement is made out only if the accused structure reads in full registration with the language of the claims.

The excerpts from the transcript of testimony appearing on page 9 of Petitioner's brief constitute an exchange between Petitioner's counsel and Respondents' expert witness, Dean Don Fischer, had no relation to the Golden Convertible Patent and the inclusion of the same in the brief is impertinent and misleading. Reference to page 146a of the Appendix discloses that this exchange related to the language of the claims of United States Patent No. 2,790,798 upon the Play-A-Round Playpen; questions relative to which Petitioner has withdrawn from contention in this suit. The spaced points mentioned refer to a spatial relationship between the foldable legs of that particular, circular playpen. Obviously, if the legs were not spaced and thus coincided in that construction, it would either be inoperable, or one that would work in a most distinct and unique fashion. Thus, Dean Fischer was not being cross-examined on the patent in suit wherein the construction involved, as shown, could have a coincidence of openings with retention of identical operability.

Point II

The Doctrine of Equivalents Clearly Applicable and Proper Under the Facts of the Present Case.

Petitioner contends that the doctrine of equivalents "no longer has any place in patent law and that a patent should be read specifically in connection with the specific terms of the claim" and urges that restricting claim coverage to its exact precise wording will materially advance technology and progress (Petitioner's brief, page 13). Respondents within this document are simultaneously replying to an *amicus curiae* brief filed on behalf of the U. S. Government which entreats this Court to overrule the holding in the **second Graver case**, namely, Graver Tank & Mfg. Co. v. Linde Air Products Co. (1950), 339 U. S. 605, and thereby abolish the doctrine of equivalents for replacement by a proposed new test of infringement. Respondents will endeavor to minimize duplication in its arguments in the two sections of its brief since Petitioner and the Government solicit a like result.

Addressing the contentions put forth by Petitioner, Respondents maintain that the doctrine of equivalents is in fact not a barrier to technological advancement as this term is generally understood. Without more, it is not seen how the mere extension of the claims of the patent in suit to comprehend a structure embodying Petitioner's single opening, with every other element completely coinciding and with the functioning and results being the same, can be considered a thwarting of the advance of technology and progress. Copying, with only a colorable deviation, should not be protected under the broad guise of technological advance.

In patent infringement actions, a Court is faced with only one of two possible situations, namely—1) wherein the accused device reads literally upon every word of the

claim; and 2) wherein the accused device does not read literally upon every word of the claim.

According to Petitioner's strict view, infringement would only be made out in the first of these two conditions so that the least variant, regardless of consequentialness, would be adequate to avoid infringement. To the present time, Courts have not adopted such an arbitrary standard.

> "The Courts have also recognized that to permit imitation of a patented invention which does not copy every literal detail, would be to convert the protection of the patent grant into a hollow and useless thing." **Second Graver case**, supra (at p. 607).

In cases of the first type, courts have only found infringement after being satisfied that despite the complete verbal coincidence, there was also a corresponding similarity in mode of operation and results obtained. If the latter were not established, then infringement was avoided, despite the specific reading of the claim on the accused structure. In these instances, the courts have applied the doctrine of equivalents in an internal manner for the purpose of actually contracting or restricting the claim. See **Westinghouse v. Boyden Power Brake Co.** (Sup. Ct. 1898), 170 U. S. 537; **Bowser, Inc. v. Filters, Inc.** (CCA 9—1968), 396 F. 2d 296, 158 USPQ 305.

In cases of the second type courts have found infringement only wherein the accused device operated in substantially the same manner, by substantially the same means to accomplish the same results as the claimed structure. In these cases the doctrine of equivalents has been applied in an external manner to allow for limited expansion to avoid the patentee being a victim of cunningly contrived dissimulation. **Matthews v. Koolvent Metal Awning Co.** (CCA 5—1946), 158 F. 2d 37, 71 USPQ 219. Thus, a discarding of the doctrine of equivalents would necessitate also a review as to how to determine infringe-

ment in cases falling in the first category since by Petitioner's strict view infringement would be established, but with untoward results. A review of the cases demonstrates that the doctrine of equivalents in its external application in mechanical patent cases has only been applied to permit a finding of infringement with structures constituting but a colorable difference from that claimed. The structural distinction upon which Petitioner in the present case relies is of the very breed which caused the courts to establish this doctrine in the first place, that is, to prevent one from practicing "a fraud on a patent"; protecting the patentee against the "unscrupulous copyist" who, by making unimportant and insubstantial changes, would take the copied matter out of the literal language of the patent but add nothing to the body of knowledge (see **second Graver case**, supra).

Justice Black in his dissent in the **second Graver case**, supra, inferentially recognized the applicability of the doctrine in cases dealing with mechanical structures

> "The claim relied upon here did not involve any mechanical structure or process where invention lay in the construction or method rather than in the material used" (at p. 616).

These judicial views as to the applicability of the doctrine of equivalents in mechanical patent cases have been consistently, qualifiedly applied through the years* to cover departures which are specious, rather than substantial modifications of the patented device (**Coats Loaders and Stackers, Inc. v. Henderson** (CCA 6—1956), 233 F. 2d 915, 109 USPQ 332).

The following immediately pertinent cases are demonstrative of the application of the doctrine in an external

---

* Hereinbelow in the section devoted to the response to the Government's brief, comments are made concerning the historical background of this doctrine.

manner wherein the accused structure incorporated a single element and the claimed structure called for two such elements; there being no other differences in structure, operation or results obtained. In **Royal Typewriter Co. v. Remington Rand, Inc.** (CCA 2—1948), 168 F. 2d 691, 77 USPQ 517, cert. den. 335 U. S. 825; rehearing den. 335 U. S. 864 (1948), Justice Learned Hand, in applying the doctrine of equivalents to find that the accused structure which contained but a single trip bar infringed the claim which called for two trip bars, stated:

> "* * * Courts have with curious unanimity held that it does not avoid infringement to combine into one member that which the patent discloses as two, if the single member performs the duties of both in the same way" (at p. 693).

In **Zysset v. Popeil Bros., Inc.** (CCA 7—1960), 276 F. 2d 354, 124 USPQ 250, cert. den. 364 U. S. 826 (1960), the Court in finding that the accused blade infringed asserted:

> "A 'single ring and sleeve' described in the claims of the patent in suit were **made as one part rather than two.** No change in functioning or manner of operation resulted." * * *
>
> "Infringement is not avoided by making into one part that which has been shown as two where there is no change in the function or manner of operation of the element" (Emphasis ours) (at p. 357).

In **Apex Electrical Mfg. Co. v. Maytag** (CCA 7—1941), 122 F. 2d 182, 187, 50 USPQ 90, the Court under a similar fact situation found infringement where the only difference resided in the defendant's using one lever for performing the same function, in the same manner, and accomplishing the same result as did the two levers called for in the patent claim.

In **Industrial Instrument Corp. v. Foxboro Co.** (CCA 5—1962), 307 F. 2d 783, 134 USPQ 529, the structure held

to infringe incorporated a one piece solid wall as opposed to the two piece wall of the claim. The Court stated:

> "We hold that infringement cannot be avoided by using a one piece wall rather than a two piece wall. They are the same even though they double in form. They do the same work, in the same way and accomplish the same result" (at p. 786).

In **Specialty Equip. & Mach. Corp. v. Zell Motor Car Co.** (CCA 4—1952), 193 F. 2d 515, 92 USPQ 84, the Court pertinently observed:

> "Neither the joinder of different elements of a patented combination into one, nor the separation of one integral part into two or more doing together substantially what was done by the single element will evade a charge of infringement" (at p. 518).

Another pertinent precedent is **No Joint Concrete Pipe Co. v. Hanson** (CCA 9—1965), 344 F. 2d 13, 15, 144 USPQ 519, cert. den. 382 U. S. 843 (1965). The patented device called for a core in two pieces while the accused device involved a one piece core. The sole question presented was whether or not the one piece core of defendant was the mechanical equivalent of plaintiff's two piece core. In reversing the District Court, and holding that the same were equivalents, the Court of Appeals stated:

> "A substantial body of law recognizes that infringement is not avoided by making into one part that which has been shown as two" (at p. 15).

The foregoing authorities are exemplary of the actual limited and careful exercise of the doctrine of equivalents by the Courts so as to protect the patentee against inconsequential departures, such as one member for two, without any difference in operation or results. Assuredly, in the case at bar, the single opening of Petitioner's playpen is the full mechanical equivalent of the two holes of the

claim. This view is established beyond doubt by Petitioner's expert as well as that of Respondent.

Respondents maintain that the courts have consistently applied the doctrine of equivalents in a most conservative manner in mechanical cases so as to prevent any expansion of the claims in suit which might conceivably frustrate technological advance. The present case is one which falls into the classical category wherein the courts have construed the claims to prevent the unscrupulous copyist from immunity. The most narrow range of equivalents would certainly embrace a single opening for two openings.

The urging by Petitioner of the abrogation of the doctrine of equivalents must be viewed in context, that is, wherein the Petitioner is seeking a legal loop hole for evading paying full consideration for the assets purchased under the Contract for Purchase of Assets (A. 54a-63a).

Petitioner alludes to Title 35, U. S. C., Section 112 (see Petitioner's brief, page 13) for the purpose of suggesting that if the claims in question had incorporated a "means" clause in lieu of reference to the spaced openings, a more salutary situation would have developed. On the one hand, Petitioner expresses a concern about obstacles to advance in technology and progress, while on the other hand, it urges the adopting of language, if possible, which would be so encompassing that many areas of "advance" would be denied other than merely the substitution of one hole for two holes. It is Respondent's contention that the particular section of the Patent Code does not comprehend reference to an intangibility which is, in truth, what a hole is, namely—nothing. Consequently, a hole is not capable of "performing a specified function". The language proposed by Petitioner, namely "passing means" would, it is submitted, be quite unacceptable to the Patent Office and considered indefinite by the Courts since it describes

an active, performing element or instrumentality, as opposed to an opening. Openings or apertures in patent claim language may only be impositively included, that is, in dependency upon, or relative to, structure, in which such are formed. Respondent's claim, with construction so as to encompass the accused, single hole device, does not present even a nominal barrier to progress; while a claim, if permissible, as proposed by Petitioner, could only be construed to foreclose to technological advance a multiplicity of expedients over and above altering the number of openings.

Point III

File Wrapper Estoppel Not Applicable.

Petitioner has erroneously and inaccurately distorted the facts concerning the prosecution of the application which matured into U. S. Letters Patent No. 3,162,685 so that Question No. 3 presented for review, the first paragraph of Petitioner's Summary of Argument, as well as the portions of its brief at pages 14 and 15, are misleading and incorrect. Categorically, it is stated that Respondent **did not deliberately insert** the limitation with respect to either a pair of spaced openings or two openings during the prosecution for the purpose of avoiding rejection or to obtain allowance.

At three places on pages 14 and 15 of its brief, Petitioner asserts that Respondent caused the deliberate insertion of the limitation with respect to the two spaced openings. Yet, having designated the file wrapper as a part of the record of this appeal, Petitioner does not avail itself of any reference thereto for the purpose of supporting this unfounded, repeated assertion. Also, Petitioner failed to include in the Appendix the originally submitted claims, Nos. 1 to 7 inclusive, of the application in question and, thus, without the benefit of a complete record, Peti-

tioner, at page 14 of its brief, makes a wholly inaccurate statement with respect to original Claim 4.

To correct Petitioner's omission, Respondents, in an Addendum to this brief, set forth the original claims presented. Reference to the file history and the Addendum of this brief quickly disclose the absence of foundation for Petitioner's view.

Of the original claims, only Claim 4 included language relating to the openings, reciting—

"a pair of spaced openings".

This inescapable fact refutes the following statement at page 4 of Petitioner's brief:

> "It is noted that original claim 4 of the application which matured into the patent involved **did not** contain this limitation (a pair of spaced openings) * * *". (Emphasis ours.)

And at page 12 of Petitioner's brief:

> "The limitation of 'a pair of spaced openings' was added in newly presented claim 8" (Appendix 97a).

Manifestly, contrary to Petitioner's view, Respondent did not deliberately insert this limitation during the prosecution to avoid rejection. Compare this with Petitioner's statement:

> "Since the limitation of 'a pair of spaced openings' was deliberately put into the application by the applicant to avoid a rejection * * *" (p. 14 of brief).

The rejection of original Claim 4 by the Examiner upon the Adamson Patent in view of the May et al Patent was not based upon either of said Patents having a base plate with one, two, or more openings.

The rejection was based upon the ground that the provision of openings in the base plate of Adamson was unpatentable in view of May et al (A. 95a). By its response,

Amendment A (A. 97a-99a) Respondent cancelled all of the original claims, including Claim 4, **without prejudice,** for the purpose of defining "in more definite fashion the especial advance made in the art by applicant".

Claim 8, which ultimately became Claim 1 of the Patent in suit, was submitted by said Amendment and contained the same language as original Claim 4, namely the base plate "having a pair of spaced openings". This claim was also rejected by the Examiner as being unpatentable over the Adamson Patent in view of the May et al. Patent (A. 100a).

Then, by Amendment B (A. 102a-103a) Respondent amended Claim 8 to recite that the draw strings were threaded upwardly through the base plate openings; and that the mutual engagement of the draw strings was effected "above said base plate" providing a handle manipulatable by "upward pulling". Claim 8 as so amended was allowable (although certain informalities were to be corrected).

The facts of the prosecution in the Patent Office are diametrically opposed to Petitioner's version. Respondent did not deliberately insert "a pair of spaced openings" to secure allowance. This language was used from the beginning, constituting a part of the original claims. Although the Adamson Patent contains no holes whatever in its floor member 27, the Examiner consistently held that the provisions of openings therein was not per se a patentable feature.

The amendments to Claim 8 effected by Amendment B (A. 102a-103a) were indeed deliberately inserted to secure allowance. Consequently, if there is file wrapper estoppel in this case, it would only relate to said limitations which were inserted by this Amendment, namely, the upward threading of the draw strings and the mutual engagement

of the cross of the same above the base plate providing a handle (or grip). Petitioner has adopted, without the least variation, structure conforming identically with these critical features. In view of this copying at the point of invention, there is no need to resort to file wrapper estoppel. Respondents' position cannot be characterized as an attempt to recapture some element it gave up to obtain allowance. Petitioner's appropriation of the critical features is an "outright and forthright duplication".

Petitioner's argument is based upon facts which do not comport with reality. Respondents at no time recited "two holes" to overcome a reference with a single hole. Petitioner's statement that "The District Court and the Court of Appeals apparently took the position that the Examiner's original rejection of the broader claim was 'wrong'" is without foundation. The narrowing of the claims was directed to the precise relationship of the draw strings to the structure. There was no suggestion that either Court considered the rejection of any claim to be wrong since the allowed claim with restriction to the provision of the draw strings and the precise relationship to each other and to the structure are fully met by the accused construction.

In view of the actual fact situation, the various authorities cited in Petitioner, including **Schriber Co. v. Cleveland Trust Co.** (Sup. Ct.—1941), 311 U. S. 211, are without pertinency.

The comment in footnote 15 of the Government's *amicus curiae* brief indicates that careful attention was not given the file history since the reference to "a pair of spaced openings" was not inserted "to help induce its issuance".

Therefore, the doctrine of file wrapper estoppel is wholly inapplicable in the present instance and refusal of the District Court to apply same and the affirmation thereof by the Court of Appeals is correct.

Point IV

Having Failed to Urge Invalidity at an Earlier Stage in This Lawsuit, Petitioner Should Not Be Permitted to Contest Validity by Reason of the Holding of This Court in Lear v. Adkins (1969), 89 Sup. Ct. 1902.

Petitioner would treat the holding of this Court in **Lear v. Adkins**, supra, as an initial opening of the door to an attack on an assigned (or licensed) patent by an assignee (or licensee). Study of the Court's opinion demonstrates that the overruling of the holding in **Automatic Radio Co. v. Hazeltine Research, Inc.** (1950), 39 U. S. 827, was in effect a housekeeping operation, merely completing the opening of a door which was almost fully open at the time. The Court observed that the existence of the innumerable exceptions to this Rule left very little substance so that the holding completed the last, small step toward demise of the rule. Petitioner would urge that it was under such a strict disability prior to **Lear v. Adkins** it was prevented from in any way attacking or depreciating the patent which it owned.

In its Petition for a Writ of Certiorari, at page 6 thereof, Petitioner states that it was not in a position to show inequitable conduct on the part of the Licensor by reason of the estoppel doctrine. Albeit in fact, there was no such conduct on the part of Licensor, the exceptions to the doctrine of estoppel permit the introduction into evidence of patent misuse.

At the same point in its Petition, Petitioner asserts that it could not show that the alleged invention of the patent in suit was an actual copy of an expired patent. Even though this statement has no relation to the Golden Convertible Patent, it is an inaccurate statement of the accepted decisional law, as such would fall within the **"Scott Exception." Lear v. Adkins**, supra.

Another exception available to Petitioner would be the offer in evidence of prior art for the purpose of narrowing the scope of the claims. This exception was noted by this Court in **Lear v. Adkins**, supra, and was an expedient known by Petitioner to be available to it, as witness the exchange with the Court concerning the Play-A-Round Patent at page 129a-3 of the Appendix and on page 7 of its petition.

Another avenue open to Petitioner for introducing any prior art that it might have would be the exception to the doctrine through eviction or failure of consideration. By its tardily asserted defense with respect to the alleged automatic cancellation of the underlying assignment (see Point VI), Petitioner contends that it has been evicted from its enjoyment of the Golden Convertible Patent. Such evictions have long been recognized as a defense to a suit for royalties. **Drackett Chemical Co. v. Chamberlain Co.** (CCA 6—1933), 63 F. 2d 853. In eviction cases, evidence of the invalidity of the licensed patent may be admitted. **Pratt v. Paris Gaslight & Coke Co.**, 168 U. S. 255; **Marston v. Swett**, 82 N. Y. 526, 534; **Potterton v. Condit**, 218 Mass. 216, 105 N. E. 443; **Victory Bottle Capping Mach. Co., Inc. v. O-J Mach. Co.** (CCA 1—1922), 280 F. 753, 759. Petitioner's urging of failure of consideration by such alleged automatic cancellation set up another means whereby it could have introduced prior art, if it had such, to invalidate the Golden Convertible Patent.

In addition to the foregoing, numerous other exceptions to the erstwhile doctrine were discussed in this Court's decision in **Lear v. Adkins**, supra, demonstrating very little substance remaining to the fabric of this doctrine at the time of that decision. The Court observed that prior to its decision, a patent owner

> "* * * could not confidently rely upon the continuing vitality of the doctrine"

In this case Respondent would have expected Petitioner to earnestly undertake all efforts to establish invalidity and its failure to do so leads to the inescapable conclusion that it could not do so.

At numerous junctures in its brief, Petitioner pleads that it could not contest the validity of the Golden Convertible Patent and, yet, by Petitioner's conduct with respect to the now withdrawn Play-A-Round Patent, it demonstrated a knowledge of the exceptions relating to patent misuse, to conformity with an expired patent, and to the use of prior art for narrowing the scope of the claims. Yet it made no offer under these exceptions. Petitioner would be expected to know the exception resulting from the asserted eviction. Therefore, judicially approved means for attacking the validity of the Patent in suit were not utilized by Petitioner. Furthermore, human experience would indicate that if a party, such as Petitioner, knew of invalidating prior art, it would have brought same to the attention of its assignor or licensor, as the case may be, and would have made every endeavor to introduce same into the judicial proceedings in this case. Even if Petitioner was wholly ignorant—and it wasn't—of the exceptions to the estoppel doctrine, it could only have been expected to do everything within its power to bring invalidating prior art to the attention of the Courts, even by an offer to introduce.

At this late stage of the proceedings, and after the termination of the five year period for the over-ride payments, Petitioner has yet to make known to Respondents, as well as to any Court, such "additional prior art", "significant prior art", "other prior art", etc., to which it makes mysterious reference in its brief.

In **Lear v. Adkins**, supra, the licensee made an investigation of the Patent Office records during the pendency of Adkins' patent application and uncovered what it

believed to be an anticipation of Adkins' discovery. The licensor was advised of this invalidating prior art before suit, and at every stage of the lawsuit, Lear sought to prove the invalidity of the licensed patent. The facts of that case are entirely different from the facts of the present case, as herein the Petitioner at no stage has attempted to plead or demonstrate the invalidity of the assigned patent and now after five years and this second appeal does Petitioner for the first time urge invalidity as a defense.

It seems fair to assume that Petitioner believed that its colorable modification of the claimed structure in the Golden Convertible Patent would be adequate to relieve it of its obligation to make the agreed upon payments. It seems also fair to assume that despite its knowledge of certain exceptions to the estoppel doctrine, it did not use same since it knew of no invalidating prior art.

Now Petitioner would subvert the holding of this Court in **Lear v. Adkins** to construe it as judicial permission to rectify any mistakes it made in the Courts below. The objective existence of any prior art was not dependent upon **Lear v. Adkins**, as any such art was equally accessible to Petitioner in 1965 as it would be in 1970. Therefore, Respondents respectfully contend that this Court did not intend **Lear v. Adkins** to constitute an excuse whereby litigants may be given a second opportunity to either try to find prior art that it could not find the first time around, or to make an initial search for prior art which it should have made in the first place.

Respondents do not believe that this Court intended **Lear v. Adkins** to permit the raising of new issues on appeals; to affect the standards for determining whether an article is covered by the claims of a patent; or to promote the protraction of litigation so that parties are offered additional opportunities to retry issues that should have been tried in the first place.

Point V

Validity of U. S. Letters Patent No. 3,162,865 Not in Issue.

As discussed above (pp. 24 et seq.), Petitioner has not attempted to raise the issue of validity, nor was such pleaded, and now seeks to do so at this juncture upon the ground that the same is permissible in view of this Court's holding in **Lear v. Adkins,** supra. It is improper to raise on appeal an issue which has not been considered by the lower Courts and a study of **Lear v. Adkins,** supra, does not reveal that the holding of this Court therein was to have any effect upon the lack of propriety of a litigant raising new issues on appeal.

In **Walters v. City of St. Louis** (1954), 347 U. S. 231, 233, this Court stated:

> "Of course, we will, not undertake to review what the Court below did not decide".

In **Hap Corp. v. Heyman Mfg. Co.** (CCA 1—1962), 311 F. 2d 839, 134 USPQ 285, Cert. denied, 373 U. S. 903, the defendant sought on appeal to raise the issue of validity of the patents in suit, and the Court held that defendant could not raise this ground for obtaining reversal in view of its failure to dispute the issue of validity below. Also apt is the statement of the Court in **Wagner v. Retail Credit Co.** (CCA 7—1964), 338 F. 2d 598, 601:

> "It is axiomatic that a litigant cannot present arguments in this Court which it did not present to the Court below."

In **Desert Palace, Inc. v. Salisbury** (CCA 7—1968), 401 F. 2d 320, 324, the Court held:

> "We need only a few of the many cases which have held that a litigant cannot present to this Court as a ground for reversal an issue which was not presented to the trial court and which it, therefore, had no opportunity to decide".

Also see **Beechwood Lumber Co. v. Tobin** (CCA 5—1952), 199 F. 2d 878, 881; **Brown v. Collins** (CCA D. C.—1968), 402 F. 2d 209, 213. Therefore, it is submitted that the issue of validity is not properly before this Court.

Regardless of the ruling in **Lear v. Adkins**, supra, Petitioner has at no time been estopped to inform Respondents and the Courts below of the existence of any "other prior art" than that cited by the Examiner. Any such "prior art" had an existence independent of the decision of this Court in **Lear v. Adkins**, since to be pertinent it would have to be of a date prior to July 17, 1960, almost 9 years prior to the decision of the said case. Petitioner's comments indicate that Petitioner wishes to exploit the decision of **Lear v. Adkins** to permit a second chance.

Accordingly, the issue of validity is not properly before this Court and to allow a reopening for this issue would be inequitable, involving substantial costs and expenses merely to give Petitioner a second chance.

Point VI

Respondent's Assignment of Its Over-Ride Payments Did Not Work a Cancellation of Any Agreement.

Petitioner erroneously contends that the Assignment for the Benefit of Creditors (A. 67a-75a) by Respondent of its right to receive the 2% over-ride payment in some way effected a failure of title to the patent in suit, No. 3,162,865, in Petitioner's subsidiary, Jackson Furniture Corporation. Petitioner thus concedes that at the time of execution of the Contract for Purchase of Assets (A. 54a-63a, November 25, 1964) Respondent had full title in and to the application upon which said Patent was granted, and that Respondent did convey good title thereto to Jackson Furniture Corporation by the Document of

Assignment of Patent Rights executed December 22, 1964 (A. 76a-80a).*

By said assignment, any legal relationship between Respondent, Tigrett Industries, Inc., and John Burton Tigrett relating to the patent in suit was extinguished, and, henceforth John Burton Tigrett had to look to Jackson Furniture Corporation for performance under the Agreement which had been originally entered into in 1961 with Respondent. The clear legal effect of the Assignment of Patent Rights (A. 76a-80a) was to relieve Tigrett Industries, Inc. of any legal obligations and privileges in regard to John Burton Tigrett, and the substitution of Jackson Furniture Corporation for Tigrett Industries was acknowledged by the parties by the following language in the Assignment of Patent Rights, to wit:

> "And the Jackson Furniture Corporation, the purchaser, agrees to abide by all the obligations, terms, and conditions of the seller herein, Tigrett Industries, Inc., as more specifically set forth in an agreement dated July 19, 1961, between John Burton Tigrett of Jackson, Tennessee, and Tigrett Industries, Inc."

By the Documents of Assignment of Patent Rights, Respondent, Tigrett Industries, ceased being a party to the Agreement with John Burton Tigrett of July 19, 1961, and, by reason of the Assignment, no longer possessed any interest whatever in the patent in suit.

The Assignment for the Benefit of Creditors (A. 67a-75a) was executed over four months after the execution

---

* It is to be understood that all statements with respect to the Golden Convertible Patent No. 3,162,865 are equally applicable with respect to the Play-A-Round Patent No. 2,790,978 since the agreements and assignments with respect to the same were identical with the corresponding documents relative to the Golden Convertible Patent. Thus, the discussion under Point VI for purposes of convenience only has been restricted to the Golden Convertible Patent.

of the said Assignments of Patent Rights and, as pointed out above, Respondent assigned thereby only its right to the 2% over-ride which right was established by the Contract for Purchase of Assets signed November 24, 1964. The assigned rights to the over-ride were not acquired by virtue of the Agreements with John Burton Tigrett.

It is Petitioner's contention that by virtue of the cancellation clause in each of the Agreements between Respondent, Tigrett Industries, Inc., and John Burton Tigrett, to wit:

> "This Agreement shall automatically be cancelled and terminated in the event of bankruptcy of Purchaser or assignment by Purchaser for the benefit of creditors. . . . In the Event of cancellation or termination of this agreement as provided herein, this agreement shall operate and function as a re-assignment to Vendor of all the right, title and interest in and to said invention and improvements and all applications and patents coming hereunder."

the said Assignment for Benefit of Creditors by Respondent, four months after it had divested itself of any and all interest or title in the patent in suit, in some way worked a failure of title in Petitioner amounting to an eviction. Under "Summary of Argument", Petitioner alleges:

> "3. The original agreement providing for the payment of royalties became void at the time Tigrett Industries, Inc. made an assignment for the benefit of creditors since **title of the patent in said Tigrett Industries ceased upon that event**" (Emphasis supplied).

At page 21 of its brief, Petitioner asserts that title

> "failed immediately upon the assignment for the benefit of creditors".

This position was manifestly a belated afterthought on the part of Petitioner since it did not suggest such a view until December, 1966, over 1 year after the filing of the bill of complaint and 20 months after the Assignment for the Benefit of Creditors, and then such suggestion was oral and informal only. This tenuous view of Petitioner is clearly not earnestly urged but merely asserted as a rationalization for its conduct. The transaction between Petitioner and Respondent was the sale of a going business and the patent matters were but a part of the overall transaction. If, in truth, Petitioner had felt that it was divested of title at the time of the Notice of Assignment, one would have expected a most strenuous remonstrance on its part for fear that it was being deprived of an asset it obtained by the transaction. There was no such remonstrance and Petitioner freely continued to sell the Golden Convertible Playpen, the market for which had been established by Respondent. To demonstrate further its inconsistency, Petitioner did not make any offer to pay royalties accruing between April 1 and April 26, or to make reports on any activities of the structure in question for that period. Compare this fact with following statement on page 6 of Petitioner's brief:

> "Petitioner paid royalties to the Respondent **until the date** of the aforesaid assignment for the benefit of creditors * * *" (Emphasis ours).

At page 22 of its brief, Petitioner states:

> "The license agreement herein was executed by both parties in New York and, therefore, under well-established conflict of law rules, the law of New York applies to the agreement."

Since there is no "license agreement" between Respondent and Petitioner, it is assumed that Petitioner has reference to the Contract for Purchase of Assets (A. 54a-63a) which admittedly was executed by the parties in New

York. However, the place of execution of said contract is not controlling herein with respect to the Assignment of Patent Rights (A. 76a-80a) the legal ramification of which Petitioner seeks to avoid by resort to the automatic cancellation provision in the original agreements between Respondent and John Burton Tigrett. The Assignments of Patent Rights were executed in Jackson, Tennessee by Respondent, a Delaware corporation, qualified to do business in the State of Tennessee, and by Jackson Furniture Corporation, a Tennessee corporation. The original agreements between Tigrett Industries, Inc., and John Burton Tigrett were also executed in Tennessee with John Burton Tigrett being a resident of that State; these being the Agreements to which Jackson Furniture Corporation is now a party. These original Agreements were executed in Tennessee and require obligations to be performed by a Tennessee corporation (Jackson Furniture Corporation) for the benefit of a foreign corporation qualified in Tennessee (Tigrett Industries, Inc.) and of a Tennessee individual (John Burton Tigrett) from operations carried on in the State of Tennessee. As noted above (pages 32-33) the Contract for Purchase of Assets specified that the closing of the sale was to take place in Jackson, Tennessee (A. 60a).

Therefore, the Agreements here under consideration must be governed by the laws of the State of Tennessee which follows the general rule that the validity of a contract with the subsequent rights of the parties to it are to be governed by the law of the place where the contract is made. **Pratt v. Globe Mutual Life Insurance Co.**, 17 S. W. 352 (1875); **Sloan v. Jones**, 241 S. W. 2d 506 (1951); **Moody v. Kirkpatrick**, 234 F. Supp. 537 (1964). The Supreme Court of Tennessee aptly stated in the **Sloan case**, supra, at page 509:

> "It is a familiar rule that the construction and validity of a contract are governed by the law of the

> place where the contract is made (citing cases). The Court of Appeals in **Moak v. Continental Casualty Co.**, 4 Tenn. App. 287, expressed it thus: 'The lex loci contractus becomes as much a part of the contract as if specifically incorporated therein, and in the absence of evidence of contrary intention, the parties must be held to have contemplated the application of that law to the terms of their agreement.' ''

There is no basis in law or in fact for asserting that the laws of New York have any bearing upon the significance of these Agreements. Thus the case of **Mason v. Electrol, Inc.** (1944), 292 N. Y. 482, which is not in point in the first place, becomes even of less value in consideration of this issue.

Accordingly, the Assignment of Patent Rights and the underlying Agreements wherein Jackson Furniture Corporation succeeded Respondent are to be construed by Tennessee Law and by general contract law. The Tennessee Court of Appeals in **Brummitt Tire Co. v. Sinclair Refining Co.** (1934), 18 Tenn. App. 270, certiorari being denied by the Supreme Court, held that the term ''assignment'' purports the transfer of all of the assignor's interest to the assignee, and, as is often said, the assignee stands in the shoes of the assignor. This principle of law was later upheld by the Tennessee Supreme Court in **Stone v. Martin** (1947), 185 Tenn. 365, 372 and is likewise given strong support by general authorities as well as the courts of other jurisdictions. In **6 Am. Jur. 2d**, Assignments, Sec. 111, at page 293, it is stated thusly:

> ''If the assignor clearly delegates the duties as well as makes an absolute and complete assignment of the rights, a reasonable interpretation of the bargain is that, in the absence of circumstances showing a contrary intention, the assignee impliedly undertakes the performance of the duties, and he is bound by the

terms of the contract to the same extent as the assignor."

The Restatement of the Law of Contracts also supports the Respondent's position that Pettinger replaced Respondent. Section 164 of the Restatement reads as follows:

> "INTERPRETATION OF WORDS PURPORTING TO ASSIGN A BILATERAL CONTRACT; EFFECT OF ACCEPTANCE OF THE ASSIGNMENT.
>
> (1) Where a party to a bilateral contract which is at the time wholly or partially executory on both sides, purports to assign the whole contract, this action is interpreted, in the absence of circumstances showing a contrary intention, as an assignment of the assignor's rights under the contract and a delegation of the performance of the assignor's duties.
>
> (2) Acceptance by the assignee of such an assignment is interpreted, in the absence of circumstances showing a contrary intention, as both an assent to become an assignee of the assignor's rights and as a promise to the assignor to assume the performance of the assignor's duties."

As succinctly put in **Corbin on Contracts**, pages 637-638:

> "The transfer of property in land or chattels is the extinguishment of the legal relations of the former owner with the rest of the world. The assignment of a contract right extinguishes the right of the assignor against a third person, and substitutes a precisely similar one in the assignee."

The Supreme Courts of other jurisdictions have held that the question of whether a purported assignment of an entire contract includes the assumption of the duties as well as the rights depends upon the terms and intent of the parties. **Bagley v. Smith** (Utah), 333 Pacific 2d 465; **Lumsden v. Loth** (Cal.), 291 Pacific 2d 88.

As can be readily ascertained from the four corners of the instruments herein, there can be no doubt as to what was intended by the parties. Respondent "sold, assigned, transferred and conveyed" its "entire right and interest" in the patent to Jackson Furniture Corporation, and the latter, "the purchaser," agreed to abide by all the obligations, terms and conditions of Tigrett Industries, Inc., under an agreement dated July 19, 1961 between it and John Burton Tigrett.

By its Assignment of Patent Rights to Petitioner, Respondent divested itself of all right or control over the subject matter—namely, the ownership of the patents and the obligation to pay royalties thereon. **First National Bank of Topeka v. United Telephone Association, Inc.** (Kansas), 355 Pacific 2d 963, 973. Thus, from and after December 22, 1964, the effect of the provisions of the original Agreements with John Burton Tigrett were determined solely upon what Jackson Furniture Corporation did and not what Tigrett Industries, Inc. might do.

Contrary to Petitioner's assertion, the District Court and the Court of Appeals did not make a new contract for the parties but merely interpreted the Agreements by resort to the plain, simple, and straightforward language thereof. There was no need to resort to any violence to, or distortion of, the language.

It may be noted that the **Mason case**, supra, upon which Petitioner places strong reliance, was concerned with a set of facts entirely different from that in the case at bar. In the **Mason case** the Court held that an automatic cancellation clause was set in motion by the conduct of one who was a **party to the agreement at the time of the occurrence of the particular event.** In the present case, Tigrett Industries was not a party to any of the agreements involved at the time of the Assignment for the Benefit of Creditors. Therefore, in not being a party, its activities were without consequence to Petitioner. The

Mason case is without pertinency. It is submitted that the authorities cited by Petitioner on pages 22 and 23 of its brief are not in point with respect to the controversy before this Court, and none of the cases on page 23 deal with a factual situation remotely resembling that of the present case nor do any of these authorities even involve automatic termination provisions.

Point VII

Matter of Refund of Royalties.

The payment of royalties by Petitioner for only the first quarter of 1965 and only upon the Golden Convertible Playpen is an admission against interest, being a recognition by Petitioner that the construction involved in this case was covered by the Golden Convertible Patent. The subsequent withholding of royalties amounted to a refusal to pay the agreed consideration for the business it had acquired and currently enjoys. This litigation which is essentially an issue of whether one hole equals two holes is but a thin mask adopted by Petitioner to give an aura of superficial propriety to its being the one who caused a failure of consideration.

CONCLUSION

The determination of the United States Court of Appeals for the Sixth Circuit should be in all respects affirmed.

Respectfully submitted

RALPH W. KALISH,
Suite 1604
721 Olive Street
St. Louis; Missouri

HEWITT P. TOMLIN, JR.
106 South Liberty Street
Jackson, Tennessee
Attorneys for Appellants

ADDENDUM TO THE RESPONDENTS' BRIEF

1

An article of infant furniture comprising a top rim-forming member, a base plate, means suspended from said top rim-forming means for retaining said base plate, a bottom member in planar parallel relation to said top rim-forming member and below said base plate for support thereof, legs engaged to said top rim-forming member and depending therefrom, and means detachably engaging said bottom member to said legs.

2

An article of infant furniture as defined in claim 1 and further characterized by said means suspended from said top rim-forming member being flexible, and adapted for extension and contraction for disposing said base plate in selected vertically spaced relation to said top rim-forming member.

3

An article of infant furniture as defined in claim 1 and further characterized by said means suspended from said top rim-forming member comprising a flexible netting having a general tubular form for receiving the said base plate in normal relation to the axis of said tubular netting, said netting at its lower end extending inwardly beneath said base plate.

4

An article of furniture as defined in claim 3 and further characterized by drawstrings engaged to the lower end edge of said netting, said base plate having a pair of spaced openings, said drawstrings being threaded through said openings for convenient manipulation for contracting of said netting to raise said base plate.

5

An article of infant furniture comprising a top rim-forming member, a base plate, means suspended from said top rim-forming means for retaining said base plate, a bottom member in planar parallel relation to said top rim-forming member and below said base plate for support thereof, upper, tubular leg sections engaged to said top rim-forming member for dependence therefrom, lower leg sections slideably received within said upper leg sections, means for inter-engaging said related leg sections for selectedly controlling the joint lengths thereof, and means detachably engaging said bottom member to said upper leg sections.

6

An article of infant furniture comprising a top rim-forming member, a base plate, means suspended from said top rim-forming means for retaining said base plate, a bottom member in planar parallel relation to said top rim-forming member and below said base plate for support thereof, upper, tubular leg sections engaged to said top-rim-forming member for dependence therefrom, lower leg sections slideably received within said upper leg sections, said upper leg sections each having a plurality of vertically spaced openings, means carried on said lower leg sections for engaging a preselected opening in the associated upper leg section for controlling the joint length of said related leg section 3, and means mounted on said bottom member for selected engagement within one of the openings of said upper leg sections for maintaining said base plate in desired vertically spaced relation to said top rim-forming member.

7

An article of infant furniture as defined in claim 5 and further characterized by said upper leg sections being pivotally connected to said top rim-forming member for swinging between extended or operative position and collapsed or inoperative position.

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1969

No. 445

STANDARD INDUSTRIES, INC.,
Petitioner,

vs.

TIGRETT INDUSTRIES, INC., et al.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

RESPONDENTS' BRIEF IN REPLY TO AMICUS CURIAE BRIEF FOR THE UNITED STATES

ARGUMENT

Point I

The Doctrine of Equivalents Compatible With the Dominant Policies of the Federal Patent System.

A. Statutory Requirements of Precise Claiming Have Been Consistent Since at Least 1836

The Government appears to contend that the "requirement of specificity" in 35 U. S. C. 112 constitutes a mandate for precision in claiming an invention which departs

from corresponding requirements of predecessor Patent Acts. At page 6 of its brief, the Government asserts that the decision of this Court in **Graver Tank Mfg. Co. v. Linde Air Products Co.** (1950), 339 U. S. 605, sometimes referred to herein as the "second Graver case," failed

> "to give adequate weight to the **statutory changes** which have occurred since the Doctrine's origins."

It is submitted that this Court in 1950 was concerned with the same statutory requirement for claiming as this Court is today under the Patent Act of 1952.

The pertinent clause of the Act of 1836 provided:

> "* * * shall **particularly specify and point out** the part, improvement, or combination **which he claims** as his own invention or discovery."
> (5 Statutes at Large 117 Sec. 6.)
> (Emphasis ours.)

The corresponding clause in the Consolidated Patent Act of 1870 provided:

> "* * * shall **particularly point out and distinctly claim** the part, improvement, or combination which he claims as his invention or discovery * * *."
> (16 Statutes at Large 198, Sec. 26.)
> (Emphasis ours.)

The related portion of the current Statute, the Patent Act of 1952, provides as follows:

> "* * * **particularly pointing out and distinctly claiming** the subject matter which the applicant regards as his invention."
> (35 U. S. C. 112.) (Emphasis ours.)

It is submitted that the language in the 1870 Act and the current Act is identical and that the word "specify" as used in the Act of 1836 does not establish any lower requirement for preciseness in claiming under that Act

than under the present Act. Reference to Webster's Dictionary reveals that the words "specify" and "distinct" both relate to "definiteness". Therefore, this Court had before it the same statutory requirement in 1892 in the case of **Hoyt v. Horne** (1892), 145 U. S. 302, that it had in 1950 in the **Graver case**, supra, and that it has today under the Act of 1952.

At page 12 of its brief the Government states that the decision by this Court in 1854 in **Winans v. Denmead**, 15 How. 330, was "under the significantly different statutory scheme of the 1836 Patent Law, which did not require specificity in claiming." Since that Act requires the inventor to "particularly specify" the part "which he claims", the basis for the Government's statement is not comprehended. The requirements for defining the patent monopoly were statutorily as restrictive in 1836 as they are in 1970. In its footnote 8, the Government alludes to difficulties in determining infringement with respect to patents granted under the Patent Act of 1793 (**Evans v. Eaton**, 3 Wheat 454; **Hogg v. Emerson**, 6 How. 436). A consideration of this original Act should not divert attention from the fact that the requirements for claiming are identical under the Acts of 1870 and 1952. Therefore, the doctrine of equivalents has been resorted to by the Courts as an aid in claim construction for a combined period of 100 years under Acts having the same language and for almost 120 years when the substantially identical language of the Act of 1836 is jointly considered. Throughout this period the Courts have thus applied the doctrine with full recognition of the statutory requirements for claiming and of the need to safeguard the public from unjustified assertions of monopoly power.

At pages 12 and 13 of its brief, the Government observes that the **Winans case**, supra, which originated the doctrine of equivalents, was decided "more than a half

century before the enactment of the first Federal Anti-Trust Laws which added a new dimension to the interpretation of patent statutes". As the Courts have consistently continued to apply the doctrine of equivalents since the enactment of the first federal anti-trust law in 1890, 80 years ago, one cannot accept the inference that the doctrine of equivalents would not have originated had the anti-trust laws been in effect at the time of the **Winans case**. The existence of these laws has not affected the manner of application of the doctrine of equivalents, as for example only, in the **Sanitary Refrigerator case**, supra, in 1929, and in the second **Graver case**, supra, in 1950, and the decisions of the various courts of appeals.

There is no contention as to the claim being the measure of the grant. As discussed below the doctrine of equivalents is not a tool wielded by the Courts to expand monopolies significantly, but rather an aid to assist in the proper construction of a claim which may well cause narrowing or contraction, as well as limited extension to comprehend colorable deviations.

B. Doctrine of Equivalents Not Inconsistent With Statutory Requirements of Claiming

The Government's desire to do away with the doctrine of equivalents is founded upon a fear of judicial utilization of this doctrine, as the Government states:

> "* * * the doctrine of equivalents authorizes judicial expansion of patent monopolies **significantly** beyond the dimensions granted by the Patent Office" (Emphasis ours).

The Government further asserts that the doctrine "discourages inventive efforts", preventing competitors "seeking to invent around the subject of a patent from relying * * * on the patent claims themselves * * *". It also avers that the "doctrine's economic impact tends to undermine

the paramount public interest in competitive technological advancement reflected in that system (patent)".

The Government expresses anxiety as to how expansively Courts might apply patents under the doctrine and, thus, the aim of its attack is to reduce determination of infringement to an objective scientific inquiry and avoid the intercession of human judgment. However, the Government at page 18 of its brief, does admit that its proposed test of infringement "would not obviate the need for the exercise of judgment in close cases". It is submitted that a study of the decisions reveals that the doctrine is used only in close cases.

The Government's thesis reflects an understandable ambivalence, advancing inconsistent and contradictory views. The dilemma is comprehensible.

The Government fears that, despite 120 years of experience, the doctrine "prevents inventing around". By its very terms, this language indicates a concern that others will not exercise inventive ingenuity or exercise a skill over and above those skilled in a particular art. Yet the Government does observe that the doctrine is applied only to expedients which were "sufficiently obvious" to preclude patentability. In the case of **Reese v. Gould** (1871), 15 Wall. 187, this Court in applying the doctrine of equivalents stated:

> "Unquestionably, the withdrawal of one ingredient in a patented combination and the substitution of another, **which was well known at the date of the patent**, as a proper substitute for the one withdrawn, is a mere formal alteration of the combination. . . ."

Through the years the Courts have limited the doctrine to this condition. If a thing was well known at the date of a patent (and certainly in the present case, Petitioner's opening was well known at the time of the issuance of the patent in suit), it could not be considered a result of the

exercise of invention. Similarly, the substitution of that which was "sufficiently obvious" or "was well known at the date of the patent" could not be considered as a technological advance. The Government voices a concern that the doctrine is obstructive of inventive effort, while concurrently observing that the Courts have consistently applied the doctrine only where the substituted element was well known, and hence, not the subject of invention.

The Government asserts that the doctrine "puts in issue a range of inquiry that goes far beyond the terms of the claim" to allow a Court to determine "what was sufficiently obvious." This inquiry is salutary as it provides a judicially imposed safeguard against the undesired expansion of the claims. Although the cases are legion, demonstrating benefits of this inquiry, exemplary is the statement of the Court in **Hap Corp. v. Heyman Mfg. Co.** (CCA 1—1962), 135 USPQ 285, 288:

> "We cannot apply the doctrine of equavalents with so lavish a hand unless we say that any gripping device which has 'fingers' is an equivalent. In the state of the art, the Examiner constantly refused to take such a view. So must we".

With respect to the issue of validity, the Government is silent as to the range of inquiry permitted. It seems a strange double standard to make boundless inquiry directed to the issue of validity and to urge, in effect, no inquiry to determine what was "sufficiently obvious". Despite the Government's protestations, the withdrawal of the appropriate inquiry will result in the patentee being a victim of verbalism.

Throughout its brief, the Government presses for a precision and specificity in claiming which would approximate an almost mathematical exactitude. It is submitted that the patent in the present suit does contain claims meeting the strict requirements desired by the Government. Yet

the Government in referring to the provisions of the third paragraph of 35 U. S. C. 112, infers that a more comprehensive "means" clause might have been used in lieu of the clause in the claim in suit calling for "a pair of spaced openings" (see Footnote 15). Although Respondents seriously question if the Government could truly draft an acceptable means clause to define the openings, it is urged, arguendo, that the use of a "means clause" would serve only to embrace a potential range of equivalents far exceeding the use of openings. Thus, a patentee would be more likely to prevent "inventing around" by such comprehensive language, and, surely, such a clause would permit of an expansion of the claim so as to include structure beyond the farthest contemplation of the patentee. The urging of specificity on the one hand, and the approval of a "means clause" on the other hand, poses a contradiction underscoring the inherent dilemma of the Government's position.

The Government has not commented upon the application of the doctrine of equivalents for restricting or contracting a claim. This internal or opposite application of the doctrine of equivalents is adopted by Courts in situations wherein the accused device, though literally reading upon the exact language of the claim, is found not to be the equivalent of the structure claimed. See **Westinghouse v. Boyden Power Brake Co.** (Sup. Ct.—1898), 170 U. S. 537; 43 **Journal of the Patent Office Society** 291 (May, 1966); **Bowser, Inc. v. Filters, Inc.** (CCA 9—1968), 396 F. 2d 296, 297, 158 USPQ 305, 306; **Foster Cathead Co. v. Hasha** (CCA 5—1967), 382 F. 2d 761, 765, 155 USPQ 177, 180. Cert. denied 390 U. S. 906 (1968). In this last mentioned case, the Court stated:

> "However, that Foster's device may come within the literal wording of Hasha's claims does not in any event, end the matter * * * Accordingly, no matter how broad the claims may be when taken literally,

> and even though they may avoid the prior art when given the broadest interpretation, nevertheless, the claims **can only cover the particular embodiment the patentee has disclosed and equivalents thereof**". (Emphasis ours.)

In considering this application of the doctrine, the Court in **Bowser, Inc. v. Filter, Inc.**, *supra*, stated:

> "An opposite application of the doctrine is made, however, in the reverse situation to find no infringement by a product falling within the language of the claim which functions differently".

By following the Government's position, since the specific language of the claims is met, there would be infringement in cases of this type. Certainly such a double standard wherein inquiry as to equivalents may be made for the purpose of restricting or contracting a claim but denying a like inquiry to extend a claim, subject to judicial safeguards, to comprehend an equivalent, would seem quite untenable.

The Government directs its attack only against the external application of the doctrine of equivalents and seeks to rely upon a precision in expression which will in some way reduce the need to resort to human judgment in determining infringement. However, "infringement is not a mere matter of words"—**Grant v. Koppl** (CCA 9—1938), 99 F. 2d 106, 110, 30 USPQ 36. Also apt is the statement of the Court in **Matthews v. Koolvent Metal Awning Co.** (CCA 5—1946), 158 F. 2d 37, 40, 71 USPQ 219, reversing, 60 F. Supp. 3, 64 USPQ 456, as follows:

> "**The doctrine of equivalency has never been a dry bone doctrine.** Put forward to do justice and prevent defrauding by dissimulation and dissent, it should be, it has been, applied to give its equitable purpose effect." (Emphasis ours.)

The doctrine of equivalents, contrary to the Government's view, is not "surprisingly incompatible" with the principle that the claims are the measure of the grant. The inconsistencies and contradictions inherent in the Government's position, as lightly touched upon above, attests to the validity of the doctrine. The effective use of the same by the Courts in what are "close cases" through the years demonstrates a most happy and effective compatibility.

C. The New Test Urged by the Government Is a Re-Statement of the Doctrine of Equivalents as Applied by the Courts

Although the Government questions the validity of the principles of the **second Graver case**, supra, it does, in espousing its proposed test of infringement, affirm the fundamental views of the Court in that case. The Government agrees that "outright and forthright duplication is a dull and very rare type of infringement" (339 U. S. at 607); "that inventors should not be placed 'at the mercy of verbalism'; and that 'form should not be exalted over substance in the test of infringement' (339 U. S. at 607)". The Government, in noting the dissent within the Court in the **second Graver case**, supra, does not subscribe to the concept that "forbidden infringement be limited to carbon copying." Despite the Government's insistence upon precision in claiming, the Government still agrees that patentees should "be protected against imitations which involve **only colorable or trivial deviations** from the literal terms of the patent claims." (Emphasis ours.) The Government therefore approves of authorizing judicial expansion so as to extend a claim to cover devices which embody mere colorable or trivial deviations. It is submitted that the proposed test of infringement is but a re-statement of the exact manner in which the Courts have applied the doctrine. Conceivably, the

word "equivalents" causes the difficulty as it may connote a breadth greater than "colorable deviation" or "colorable difference". It is not the verbiage but the manner of application, and the Courts have consistently applied the doctrine externally to only the extent of preventing "colorable or trivial deviations".

In the early case of **Reese v. Gould**, supra, involving infringement of an invention consisting of a new combination of old ingredients, the Court in holding infringement stated:

> "**Mere formal alterations** of a combination in Letters Patent do not constitute any defense to the charge of infringement, as the inventor of an invention is as much entitled to suppress every other invention of the same ingredients to produce the same results **not substantially different** from what he has invented and caused to be patented, as the inventor of any other patent improvement." (Emphasis ours) (82 U. S. 187, 192.)

In **Sanitary Refrigerator Company v. Winters** (Sup. Ct. 1929), 280 U. S. 30, in finding infringement by application of the doctrine, this Court stated (at page 42):

> "**That mere colorable departures** from the patented devices do not avoid infringement, * * * And even where in view of the state of the art, the invention must be restricted to the form shown and described by the patentee and cannot be extended to embrace a new form which is substantial departure therefrom it is nevertheless infringed by a device in which there is **no substantial departure** from the description in the patent, but a mere colorable departure therefrom." (Emphasis ours.)

This Court in the **second Graver case**, supra, likewise acknowledged that the doctrine was to be applied so as to prevent (at page 607):

> "the unscrupulous copyist to; make **unimportant and insubstantial changes and substitutions** in the patent which **though adding nothing** would be enough to take the copied matter outside the claim, and hence outside the reach of law." (Emphasis ours.)

This Court also aptly stated (at page 612):

> "Though the infringement was not literal, the changes which avoid literal infringement are **colorable only**". (Emphasis ours.)

In **Matthews v. Koolvent Metal Awning Co.** (CCA 5—1946), 158 F. 2d 37, 71 USPQ 219, reversing 60 F. Supp. 3, 64 USPQ 456, the Court in finding infringement by reason of resort to the doctrine of equivalents stated (at page 40):

> "Not at all recondite or difficult of understanding application, it (the doctrine of equivalents) is the mere expression and application of the view that like things are alike and they are not made un-alike by **formal and non-substantial changes**; no matter how cunningly contrived the dissimulation, or how clever the changes in form." (Emphasis ours.)

Similarly, in **King-Seeley Thermos Co. v. Refrigerated Dispensers** (CCA 10—1965), 354 F. 2d 533, 148 USPQ 11, the Court in reversing the District Court, and in applying the doctrine of equivalents likewise observed (at page 540):

> "**Colorable differences** without substance do not avoid infringement."

Reference may also be made to the statement of Justice Black in the dissent in the **second Graver case**, supra:

> "Whatever the merits of the 'doctrine of equivalents' where differences between claims of a patent and the allegedly infringing product are *de minimis*, **colorable only, and without substance**, that doctrine should

have no application to the facts of this case" (Emphasis ours).

At page 13 of its brief, the Government quotes from Judge Learned Hand's opinion in **Claude Neon Lights v. E. Machlett & Son** (CCA 2—1929), 36 F. 2d 574, for the purpose of indicating that this jurist encountered difficulty in reconciling the doctrine of equivalents with statutory mandates. The Government did not cite the decision of this same Judge, handed down 19 years later, in the case of **Royal Typewriter Co. v. Remington Rand** (CCA 2—1948), 168 F. 2d 691, 77 USPQ 517, Cert. Denied 335 U. S. 825, Rehearing Denied, 335 U. S. 864 (1948), wherein he applied the doctrine of equivalents without any apparent difficulty. In finding the accused structure to infringe, he noted that "the only departure in operation" was the fact that the defendant utilized a single trip bar instead of the two trip bars called for in the claim. With reference to this departure, the Court stated (at page 692):

> "In our judgment not only is it **inconsequential**, but the invention merits its allowance." (Emphasis ours).

It is also to be observed that the Court of Appeals in the instant case, in applying the doctrine of equivalents, made the following germane observation:

> "The fact that the playpen floor was adjusted up or down by strings running through the floor through one hole rather than two holes did **not** appear to him (District Judge) to represent **a substantial difference**. Neither does it to us" (A. 53a) (Emphasis ours).

The foregoing demonstrate that the Courts in applying the doctrine of equivalents in the external manner have consistently restricted expansion of the claims to only those structures which differentiated from the claims by "mere colorable departures", "de minimis differences",

"inconsequential departures", "colorable differences", "mere formal alterations", "unimportant and insubstantial changes and substitutions", "no substantial differences", "formal and non-substantial changes", etc.

It is submitted that any distinction between the "colorable or trivial deviations" suggested by the Government and the "colorable departures, colorable differences, inconsequential departures", etc., as recognized by the Courts is without a difference. It is Respondents' contention that the Government is urging simply a change in form or, as it were, in name of the doctrine as opposed to any true change in substance.

As indicated above, the Courts have subjected the application of the doctrine to certain safeguards, one of which being, as discussed above, the necessity that the substituted element or ingredient be well known at the time the patent is issued. Another important safeguard is the doctrine of file wrapper estoppel which serves to prevent application of the doctrine with respect to limitations which were, in truth, inserted during prosecution for the purpose of obtaining allowance of the claims. Thus, the doctrine of equivalents is not applied at the specific critical point of inventiveness. By these observed safeguards, the Courts have in practice applied the doctrine of equivalents within well defined guidelines inimical to the potential unbridled expansion feared by the Government. Pertinent is the statement of the Court in **Borg-Warner Corp. v. Paragon Gear Works, Inc.** (CCA 1—1965), 355 F. 2d 400, 148 USPQ 1, Cert. Denied, 384 U. S. 935 (1966):

> "Carried to an extreme, the doctrine of equivalents could undermine the entire patent system. However, several limiting principles strike a compromise between the doctrine and the alternative of holding a patentee to the language of his claims. One means

of maintaining the 'primary jurisdiction' of the Patent Office, so-called file wrapper estoppel is that claims narrowed in response to objections of the Office cannot be recaptured in broad form in subsequent proceedings."

Submitting the issue in the present proceeding to the Government's proposed test of infringement, it is maintained that the substitution of the one hole for the two holes is nothing more than a colorable or trivial deviation. To so construe the claims of the patent in suit could not be deemed a thwarting of a competitor's desire to "invent around" the claimed structure, nor a barrier against technological advancement. Admittedly, the single hole is "sufficiently obvious". As discussed at length in the brief in reply to Petitioner, supra, file wrapper estoppel is not applicable with respect to the provision of the openings.

It is, therefore, believed that the Government may have selected an inapt case for reconsideration of the doctrine of equivalents. The structure herein involved is mechanical and, as inferentially suggested by Justice Black, in the dissent in the **second Graver case**, supra, the doctrine has not been shown to present difficulties in cases of this type. In the **Graver Tank case**, supra, the patent involved was of a chemical nature with the claims calling for the combination of certain compounds, with the problem being intensified by the reference in the specification (but with omission in the claims) of the very compound asserted to be an equivalent. Chemical cases may well present certain difficulties not encountered in cases involving patents on mechanical devices. The dissents in that case were concerned with the particular facts of that case but not with the broad, basic principles stated by the Court.

Point II

Alternative Protective Devices Do Not Compensate for Overruling of Doctrine of Equivalents.

Commencing at page 18 of its brief, the Government makes reference to certain portions of Title 35, U. S. Code, as presenting adequate protection to patentees to permit of elimination of the doctrine of equivalents.

Respondents' views as to the inadequacy of the provisions of "means" language in claims have been commented upon above in this brief, as well as in the companion brief in response to that of Petitioner (see page 10).

It is also submitted that resort to Reissue Patents does not provide the protection suggested by the Government. Since the Courts have applied the doctrine to extend the claims to cover but "colorable departures" and the like, it is submitted that any Reissue application for the purpose of broadening a claim to cover a mere colorable difference would be rejected by the Patent Office. Also, resort to this procedure would place an additional burden upon the Patent Office, inviting a plethora of Reissue applications when the Patent Office can scarcely handle the load it normally undertakes. However, applications for Reissue are subject to certain controlling conditions which may not be met by a patentee for the purpose of embracing colorable departures. But even with Reissue Patents, there is still the problem of the ultimate claim language. Mention is only made of the further problem of intervening rights. Thus, it is not believed that Reissue Patents provide a technique which could justify the denial to the Courts of the aid in claim construction provided by the doctrine.

The instant case also highlights another serious drawback to the Reissue procedure. Neither Respondent had

title to the Patent in suit, as the same had been assigned to the Petitioner. Therefore, neither Respondent had any standing before the Patent Office which would have permitted either of them to make application for Reissue Patent if such had been deemed expedient—which it was not in the present case.

Accordingly, the protective devices discussed by the Government are quite inadequate to compensate for any withdrawal of the doctrine of equivalents as the same has been applied by the Courts.

CONCLUSION

In view of the foregoing it is submitted that the Government has actually offered nothing new and that its very arguments, when analyzed, inherently show the necessity for the continued existence of the doctrine of equivalents as the same has been applied. Since even the Government's proposed test calls for the inclusion of "colorable or trivial deviations" within the language of a claim which does not specify with exactness the accused structure, the judgment of the Court of Appeals should be affirmed.

Respectfully submitted,

RALPH W. KALISH
721 Olive Street
St. Louis, Missouri 63101

HEWITT P. TOMLIN, JR.
106 South Liberty
Jackson, Tennessee

Attorneys for Respondents